



**MINUTES OF THE MEETING OF THE  
EASA MANAGEMENT BOARD**

**HELD ON**

**16 MARCH 2010 (MB 01/2010)**

**AND SUMMARY OF DECISIONS TAKEN**

**SUMMARY OF DECISIONS**

At its meeting held on 16 March 2010, the Management Board:

- Formally adopted the Agency's 2011 Preliminary Draft Budget, Draft Work Programme and Establishment Plan;
- Formally adopted the Agency's Staff Policy Plan 2011-2013.



**0. List of Attendees – Please see ANNEX 1**

The Chair opened the meeting and welcomed all participants, especially the new representatives from the European Commission, Bulgaria, Germany, Slovak Republic, Serbia and EAB.

**1. Adoption of the Agenda**

The Agenda was adopted as presented. The Chair reserved the right to change the order of agenda items for time management reasons. He pointed out that the discussion on the Agency's certification strategy had been postponed to MB 02/2010 in June in order to better reflect the results of the study on outsourcing of certification tasks.

**2. Adoption of the minutes of the previous meeting**

The draft minutes of the MB 04/2009 meeting were adopted as presented.

**3. Comments from the Chair**

The Chair reported that following the closed session on the ED appraisal procedure during MB 04/2009, he had agreed together with the MB Vice-Chair, the European Commission and the ED a set of objectives for the ED.

He informed that he had represented the Agency at the High Level Conference on SES II implementation in Madrid, giving a presentation on the role of the Agency in the SES II project. The Chair underlined the importance of EASA involvement in this significant process of change.

The Chair also reported on a meeting between MB Chairs of 13 EU Agencies recently held in Amsterdam. Most notably, the meeting discussed the outcome of the EC evaluation of EU Agencies, which currently is for comments with the Secretariat General of the European Commission and will be forwarded to the European Parliament soon. A follow-up meeting will be held in June with planned attendance of a representative of the Secretariat General to discuss in particular aspects related to the efficient work of Agencies' MBs. Further meetings of this forum are planned to discuss also other MB related issues (e.g. budget and finances, etc.).

The European Commission noted that the study on the evaluation of EU Agencies had started about 1 year ago and will serve as basis for a formal document to be prepared by the European Commission. The evaluation covers all 27 EU Agencies and focuses on governance issues. Work is planned to be finalised by late summer 2010. More detailed information will be provided at forthcoming MB meetings.



#### **4. Report of the Executive Director**

The ED presented his report on developments since MB 04/2009 (WP03). He underlined inter alia the following elements of the report:

- Chinese validation of Airbus A380;
- First flight of Airbus A400M, Gulfstream G250, Boeing 787 "Dreamliner", Eurocopter EC 175, Boeing 747-8;
- DOA internalisation closed;
- CRD on FCL expected to be published end March/early April 2010;
- "Fast-track" process for transposition of SES rules & ATCO Directive;
- EASA-EUROCONTROL "partnership-document" ready for signature but pending approval by European Commission;
- Support to EC regarding BASA with Brazil and Australia;
- EASA International Cooperation Forum (ICF);
- Coordination of EU input for ICAO high level conference in March 2010;
- EASA contributions to ICAO Safety Indicator Study Group and SMS developments/taxonomy development at ICAO level;
- Support to EC proposal for new European Regulation on Civil Aviation Accident Investigation;
- SAFA prioritization list compiled and distributed to National Coordinators;
- Risk assessment re travel to countries with security risk for EASA staff;
- Updated Agency Risk Register;
- Staffing figures amounting to 478 TAs by 01/03/10.

In discussion of the ED report, the following points were made:

- The Chair underlined the importance of any measures taken by the Agency to guarantee the security of EASA staff on missions;
- Regarding accident investigations, in particular legal investigations, France commented on the issue of State services and their staff being held responsible. It was noted that recent accidents (e.g. AF 447) might also raise questions on the role of EASA. To face such situations, the functions and responsibilities of EASA staff as well as the processes they are involved in, should be clearly defined. The Chair noted that this is a matter of serious concern, requiring comprehensive and sustainable process descriptions. He concluded that the responsibility is mainly with the Agency's senior management;

EAB underlined the importance of a "just culture" which should be addressed directly by European justice ministers, since the work on accident investigation promoted by the European Commission will not be able to properly address this issue. Italy noted that legal constraints can sometimes prevent proper technical investigations. The European Commission confirmed that the relationship between accident



investigation and judicial procedures is an important issue and that its proposal was driven by the concern to avoid obstacles to accident investigation work. It underlined the importance for the Agency of having access to safety relevant data resulting from the investigation;

- The European Commission recognised the Agency's concerns with regards to negotiations of the Commission proposal on a new European Regulation on Civil Aviation Accident Investigation. In this proposal a clear distinction is made between (a) access to information and (b) involvement in accident investigations. The Council has already developed an initial position while the European Parliament still needs to develop its position;
- Italy asked for further clarification regarding the procurement contract on the production of questions for theoretical exams in FCL and Aircraft Maintenance licences. The ED explained that the CQB database had been taken over from the JAA. Development of a new set of questions is now an EASA responsibility;
- The UK underlined the importance to make EASA internal audit reports and in particular the updated Risk Register available to the MB. This should not only be done in regular briefings at MB meetings but also via making the reports directly accessible, e.g. on the restricted MB website. The ED explained that the Risk Register had been established for the first time 3 years ago and been presented to the MB. The document contains sensitive information, but can be made accessible on the restricted website.

## **5. Rulemaking in the context of the extension of Community competences**

The Agency's Rulemaking Director introduced WP04, providing a summary of EASA rulemaking activities on the 1st and 2nd extension since MB 04/2009.

As regards the 1st extension, he underlined that the Agency is continuing along the agreed lines, focusing on the timely delivery of the CRDs and the resulting rule texts. He informed that the rule structure had been adapted as presented at MB 04/2009. Consequently, the structure of Authority and Organisation Requirement remains as presented in the NPAs, while the structure of OPS technical requirements changed to "stand-alone" parts per type of operations. On prioritization of tasks he said that the Agency is working on the basis of the 8 priority work packages agreed at MB 03/2009. On the alignment with existing texts, the Rulemaking Director informed that the comment review is carried out on the basis of the NPA text and that internal principles guiding the review process were established as presented in the slides.



Regarding the 2nd extension, the Rulemaking Director highlighted that EASA had launched the "fast-track" process at the request of the Commission and the MS in the Single Sky Committee, focusing on 3 key ATM rulemaking task (requirements on ANS provision, ATCO licensing and requirements on competent authorities). In a first step implementing rules will be developed in the said 3 areas ("stand-alone rules"), with the horizontal structure, as already agreed in the EASA Committee, to be developed later on in a second phase. Implementing measures in this Phase II shall be developed in full accordance with the amended Basic Regulation (but that this will be around 2012 and beyond). As regards other SES II priorities he said that this includes (a) transposition of SARPs on services, (b) facilitating of FAB arrangements, (c) formulation of safety performance indicators, (d) safety oversight – network managements and (e) support to SESAR. On EASA-EUROCONTROL partnership he said that a final agreement is still pending, mainly due to discussions on the arrangements for the emerging EUROCONTROL SES pillar.

#### Discussion on 1st extension

Members welcomed the report given by the Rulemaking Director, noting that the Agency is continuing along the agreed principles and is adhering to the priorities and timing set out at MB 03/2009. The Board encouraged the Agency to continue in this direction and reiterated the importance of keeping the industry informed.

Commending the efforts made by the Agency so far, the Commission underlined the importance for EASA to strictly focus on the right priorities, taking into account that the current Rulemaking Programme contains important and less important tasks. Considering the limited resources and existing time constraints, the Agency should focus on the most pressing tasks, e.g. package 1 (FCL) and 2 (CAT) while e.g. packages 4 (other OPS) and 5 (non-commercial OPS) should not jeopardize these priorities. The Rulemaking Director reiterated that in line with the 8 priorities agreed, the work packages for FCL and CAT are current priority but that EASA is mandated to make progress also with the other work packages to have them in place in time.

EAB noted that the 2 CRD for FCL and OPS will ultimately show the degree of success as regards the implementation of the rulemaking prioritisation and the achievement of expected results.

The Board asked for further clarification regarding the involvement of experts from Member States and industry in the rulemaking groups (see § 34 of WP04). The view was shared that NAAs' senior management sometimes needed a better knowledge of the composition of, and in some cases the contents discussed in, the various rulemaking groups. The Rulemaking



Director informed that a proposal to nominate specific focal points in NAAs (e.g. for ATM, Airports, etc.) shall be presented to AGNA. These nominated focal points will then be informed on 'their' subject so that the relevant information is directly available to the focal point and they shall react via their AGNA representative. In order to keep also the DG updated they will receive a copy of the letter in which the NAA's will be asked to nominate the focal points.

A question was raised on whether there will be dedicated rules for helicopters in commercial operations. The Rulemaking Director explained that it is not foreseen to have a dedicated set of rules for helicopters, but that there would be a specific performance section e.g. in CAT, in order to adequately reflect the specifics of commercial helicopter operations. A question was also raised on Safety Directives (SD) and the introduction of a general framework for imposing retrofit measures to enhance safety. The Rulemaking Director explained that the Agency had decided to use a mixed approach consisting of implementing rules and SD to impose general retro-active measures depending on the possible impact.

Regarding the 1st extension CRDs, Members raised concern on the level of information and explanations in case of deviations, in particular as regards changes/amendments to ICAO SARPs or JAA rules. Some Members considered it as essential to include cross-reference tables in new rule proposals in order to make them better understandable and transparent. The Rulemaking Director acknowledged that for the comment review, EASA will give explanations in case of deviations from ICAO SARPS, EC Law or JARs in a note to CRD tables; new rules will also contain a cross reference table.

Members questioned whether there will be appropriate transition measures in particular as regards EU OPS. The Rulemaking Director explained that through discussion with experts and in working groups, stakeholders are informed well in advance on changes to be expected. He also said that regular meetings with relevant stakeholders already take place which give an opportunity to discuss proposals and to comment on the route taken.

The Rulemaking Director asked that Members do all they could to keep their national industries fully apprised of progress. Members agreed but also stressed that up-to-date relevant information (e.g. timetables) should be provided on the EASA website. The European Commission underlined the importance of making all relevant information available on the EASA website and to provide the latest news needed.

On the comment response period, Members underlined that this period should provide sufficient time for stakeholders to comment on new rule proposals and giving industry appropriate time to consolidate their position. The Rulemaking Director recalled that the comment period is always 2



months from the publication of a CRD and agreed to use best efforts in keeping the information on the website current and up-to-date.

The Chair summarised the discussion on the 1st extension as follows:

- a) The Board commended the progress made so far and noted that the Agency is adhering to the priorities and timing agreed at MB 03/2009;
- b) The Board noted that the first two CRDs (FCL and MED) would be published by the time the Board next met and would show the degree of success as regards the implementation of the rulemaking prioritisation and the achievement of expected results;
- c) The Board reiterated the importance of continuous involvement of the MB in the implementation of rulemaking priorities and of ensuring that NAAs, including senior management, are fully informed on the work of the rulemaking groups;
- d) The Board noted the importance of keeping the contents on the EASA website current and up-to-date and reiterated the need to upload new information on the website promptly in order to keep stakeholder, in particular industry, informed on ongoing rulemaking activities;
- e) The Board recognised that the intention is to adopt rules on all the eight work packages by April 2012 and that a number of related, supplementary rule-making tasks were programmed for later adoption.

#### Discussion on 2nd extension

##### *(1) "Fast-track"*

The Board welcomed the progress made by EASA on the implementation of the "fast-track" procedure and confirmed its support in principle for using a fast-track procedure in this specific case where existing legislation is already in place. Members noted that this was on the assumption that there would be no significant change in content from existing rules, such as new obligations for authorities, organisations or ATCOs or the application of requirements to stakeholders not previously covered.

The European Commission commended the Agency on the progress made regarding the 2nd extension and thanked for the flexibility demonstrated in taking all Commission concerns on board. The Commission noted that the "fast-track" procedure agreed to transpose SES safety rules is a good exercise for the Agency, as such procedure might also be used for other rulemaking tasks in the future.



Members felt that the "fast-track" procedure should not become the general rule, in due consideration of the MB Decision on the Agency's Rulemaking Procedure.

Concern was raised on the impact of the "fast-track" solution for the ATM sector. Underlining that the fast-track will in principle be carried out as a transposition of the existing SES rules as well as the ATCO directive with only minimal technical updates, Members felt that certain deviations from existing rules would still be required. In the light of this, one should not underestimate the consequences for the ATM sector in implementing the transposed rules.

In the light of this, Members agreed that the "fast-track" solution under no circumstances should neglect the need for consultation. It was seen essential to follow the Commission's approach of transposition of existing rules with only minimal technical updates but also to ensure some kind of alternative consultation process to give stakeholders sufficient time for review. On that condition, discussions on the new rule proposals could be limited and would thus facilitate acceptance amongst stakeholders.

The Rulemaking Director agreed that the "fast-track" anticipates only minor changes to existing regulations so that not many comments are to be expected. He explained that there will be consultation with stakeholders after the issue of the Agency Opinion e.g. via the ICB in the SSC process, by means of a meeting to be convened with ATCO representatives by the European Commission as well as through workshops organised by the European Commission and Agency after the issue of the Opinion.

Some Members reminded the Commission that this is a delicate balance with a risk of provoking criticism from new stakeholders in the EASA system or even a legal challenge, since Art. 52 of the Basic Regulation stipulates, that the consultation shall take place before the issue of an Opinion and noted that the purpose of ICB in SES is not to consult on draft regulation. Members noted the possibility of formally consulting stakeholders with an NPA but within shorter timeframes than normally foreseen (e.g. a few weeks instead of 3 months) which would not jeopardize the fast track procedure. One delegation indicated, while acknowledging the difficult task for the Agency, its agreement to leave out the usual consultation process for the fast track proposals. In case however, that substantial changes would be included in the text of the fast track proposals, a consultation procedure, albeit short in time and focused on these changes, should take place.

The Commission is prepared to discuss the modalities for consultation with EASA in view of timelines discussed. The Commission insisted to avoid that "fast track" becomes a "long track".





The Board underlined the importance and urgency for the Agency of having clarity from the European Commission about how to proceed, as indicated in the Executive Director's letter of 19 February 2010 to the Director DG MOVE E.

The Board agreed to summarise the discussion as follows:

*The Management Board*

1. *Confirmed its support in principle for use of a fast-track procedure in this specific case where existing legislation is already in place;*
2. *Noted that this was on the assumption that there would be no significant change in content from existing rules, such as new obligations for authorities, organisations or ATCOs or the application of requirements to stakeholders not previously covered;*
3. *Noted that there will be consultation with stakeholders after the issue of the Agency Opinion via the ICB in the SSC process; by means of a meeting to be convened with ATCO representatives by the European Commission; and through workshops organised by the European Commission and the Agency;*
4. *Recalled the need to act fully in line with the relevant legal requirements;*
5. *Noted the possibility of the Agency formally consulting stakeholders with an NPA prior to the Opinion, but within shorter timeframes than normally foreseen (a few weeks instead of 3 months) which would not jeopardize the fast-track procedure; and*
6. *Underlined the importance and urgency for the Agency of having clarity from the European Commission about how to proceed, as indicated in the Executive Director's letter of 19 February 2010 to the Director DG MOVE E.*

*(2) "EASA-EUROCONTROL cooperation"*

Reiterating its earlier calls for close cooperation between EASA and EUROCONTROL, the Board noted that EASA had prepared together with EUROCONTROL a partnership document which is now pending approval by the Commission. Members saw a need for more transparency and asked for a detailed update on the present status of discussions.

The ED explained that the EASA-EUROCONTROL partnership agreement is meant to be a tool to describe the cooperation between the two organisations, helping EASA to fulfil its new task and responsibilities for ATM but would not have any formal/legal status. The document mainly covers the terms and conditions for the first phase of transition/transfer, including the organisation of the transition of rules, standardisation and certification in the



fields of ATM as well as a list of related task shared between EASA and EUROCONTROL. As regards the timing, the ED saw a need to have the EASA-EUROCONTROL partnership agreement to be signed as early as possible. He explained that it is very difficult for EASA to take over certain tasks in the field of ATM, as EASA is sometimes considered as being an "intruder". As this is not at all the case, it is important to demonstrate that EASA and EUROCONTROL are working in good cooperation; the partnership document would provide for a clear signal in this direction.

The European Commission informed that following MB 04/2009 the Commission had signed two agreements with EUROCONTROL on SES implementation. Both documents have relevance to ATM related safety aspects and solve the issue of technical cooperation between EASA and EUROCONTROL to a great extent (e.g. by covering activities carried out by EUROCONTROL on behalf of the Agency). Consequently, the signed agreements will have an impact on the pending agreement between EASA and EUROCONTROL and make the draft text obsolete in some aspects. The present text would thus need to be revisited, in particular as regards the sharing of resources between EASA and EUROCONTROL. Moreover, a clear reference to SES II roadmap should be integrated. The Commission suggested to organise a meeting with EASA and EUROCONTROL as soon as possible, to bring the present draft agreement in line with the latest developments or to consider alternative solutions. The Commission also raised the possibility of an antenna of EASA at EUROCONTROL.

The ED acknowledged that certain updates of the present document would be necessary to reflect the impacts of the recently signed agreements between EC and EUROCONTROL. Considering that the first SES related rules should be adopted by end 2010, he reiterated the need to have clarifying discussions as soon as possible, including aspects such as financial and human resources, the set-up of an EASA antenna in Brussels, etc. He also underlined that EASA is ready to set-up EUROCONTROL teams under the leadership of EASA (e.g. by detached employees). The Commission agreed on this urgency and proposed to meet as soon as possible to clarify the points raised by the ED and to decide then in a second step whether there is still need for a formal partnership agreement. The Commission undertook to organise a meeting shortly.

In summary, the Chair stressed that, considering the tight deadlines for the adoption of SES rules, the details of cooperation between EASA and EUROCONTROL should be clarified as soon as possible, not necessarily ending up in a formal agreement. He recommended distributing the current text of the EASA-EUROCONTROL agreement to MB Members for the sake of transparency. The ED underlined that it is of core importance for the aviation



world to get clarity on the EASA/EUROCONTROL respective competences, roles and responsibilities in the field of ATM.

## **6. Safety Strategy**

### EASAC

The ED introduced WP05, presenting a report on the activities of the European Aviation Safety Advisory Committee (EASAC). Noting that EASAC is now well established and working very efficiently with a high level of motivation, he summarized the main points of discussion at the 3rd EASAC meeting on 10 February 2010.

The ED reported that EASAC had reviewed its objective and schedule and had agreed to finalise the European Aviation Safety Programme (EASP) and the Safety Plan by the end of the year for discussion at MB 04/2010 in December. The safety improvement themes would first be discussed at MB 02/2010 in June. EASAC also had reiterated that the EASP was about a description of the current situation and that the Programme should indicate a method to develop the European Aviation Safety Plan, as there presently is no such mechanism in place. As regards the Pool of Analysts, the ED underlined that the set-up of a European Pool of Safety Analysts (EPSA) would enable Authorities to share safety data and gather the right number of resources to analyse them. On Pilots Training, he reported that following the International Conference on Pilot Training, an Agency internal Group on Pilots Training (IGPT) had been set up and that an EU paper, supported by the FAA, will be presented at the ICAO High Level Conference, recommending the creation of a working group also on the international level. Finally, he reported that the EU will present around 10 papers to the ICAO High Level Conference, representing a political agreement among the EU/ECAC Member States, addressing inter alia EASP, SPIs, accidents, pilot training and a specific paper dealing with the effect of climate change on aviation. As regards the latter, an International Conference will be organised by the Agency in September in Cologne.

Members commended the Agency on the progress made by EASAC and expressed their strong support for the development of the EASP. As regards the proposed EPSA, some members noted that a clear analysis of the concept and on how the pool is going to work is needed. A follow-up paper should be prepared for the EASA-NAA partnership meeting in May. The ED explained that dedicated TORs will be developed. Concern was raised on EASAC's involvement in Pilot Training and the Conference on Impact of Climate Change on Aviation, taking into account the Committee's clear focus on safety strategy. The ED explained that the core task of EASAC is currently the development of the EASP. However, as both topics have an impact of



aviation safety, they give reason to be addressed at EU level and to be discussed already at this stage.

EAB stressed the importance for more efforts on data-sharing which will also require the desired level of funding to set up a European system similar to the US ASIAS system. EAB outlined that this should be taken as a priority for more funding, even when other areas of EASA would be confronted with reduced funding due to the existing budgetary constraints linked to the EU subsidy'

The European Commission informed that they are organising a Conference on Safety taking place on 20 April 2010 in Brussels.

## **7. ENaCT Report**

The ENaCT Chair presented a report on the ongoing ENaCT activities (WP06a). The report included the following topics: Continuing Airworthiness, Outsourcing Study, Expertise Sharing (Pool of Experts) and Business Plan.

With regard to Continuing Airworthiness, he said that an Agency paper, identifying several issues, had been discussed. A new paper taking into account these discussions will be presented at the next ENaCT meeting. On the consultant's Outsourcing Study he commended the high quality of the work done and said that ENaCT had acknowledged the report to be a very useful tool. The Study will serve as a basis for the certification strategy the Agency is invited to present at the next ENaCT meeting. The context of such strategy should also tackle the impacts on the Agency's Business Plan and the possibility of outsourcing tasks to Qualified Entities (QEs). Regarding the Pool of Experts (PoE), the ENaCT Chair reported that only poor use of the pool is made by the NAAs and that NAAs seem to request expertise directly from EASA rather than from the pool. Consequently, it was agreed in ENaCT that the Agency should take over the management of the requests to the PoE and to dispatch them to NAAs. On the Business Plan, he said ENaCT had welcome the report given by EASA on some of the 2009 Performance Indicators of the Certification Directorate, at the same time pointing out that the current indicators are more activity oriented than performance oriented. Further discussions aiming at proposing new KPIs are foreseen in ENaCT.

Members noted that the discussion on outsourcing should not only consider the quantity of work to be outsourced to NAAs or Qualified Entities but also quality aspects. The Board agreed to refer the work on outsourcing back to ENaCT and asked ENaCT to provide a status report at the next MB meeting. The Board agreed to refer the work on outsourcing back to ENaCT to provide a status report at the next MB meeting.



## **8. Finance and Business Services Committee**

Members were presented with a report from the Chair of the Agency's Finance and Business Service (FABS) Committee, including information on the 2011 PDB, DWP, the SPP 2011-2013 the new Fees & Charges Regulation as well as the Working Group on KPIs. The Board took note of the report and agreed that the FABS Committee Chair would provide the relevant information during the discussion on Agenda items 9, 10 and 11. The FABS Committee Chair announced that in addition to the FABS Committee Report, MB Members will also receive the minutes of the FABS Committee meetings in the future. The Chair endorsed the FABS Chair's invitation to MB Members to nominate representatives to the FABS Committee, preferable candidates with financial background, as a broader geographical representation would be helpful.

## **9. Review of Fees & Charges Regulation**

The Head of the Agency's Applications and Procurement Services Department delivered a status report on the new Fees & Charges Regulation (WP08). He explained that the EASA/Commission/Industry working group had decided at their meeting on 21 January 2001 to establish a flat fee system (option 2) and had considered the final draft fee tables and legal text amendments at their meeting on 24 February 2010. Subsequently, a text proposal had been sent to the European Commission for comments. Following a recap of the study methodology used by the consultant Helios (e.g. objective criteria, cost reflectivity), a detailed overview of the new fee tables, including Product Certification Fees and summaries of DOA, POA, MOA, MTOA and CAMO as well as Part 145 and 147 approval fees was provided. Moreover, the necessary text amendments, including amendments related to efficiency, transparency and clarification measures were outlined. On next steps, it was stated that after EAB consultation, the draft Fees & Charges Regulation could be presented to the MB for opinion and then be processed through Comitology. A realistic implementation date is 1 January 2011.

Members noted the status report and commended the information provided. The FABS Chair informed that the FABS Committee supports the decision of the Agency's working group for a flat rate system. The Commission announced that they will prepare a draft regulation for MB 02/2010 in June.

EAB raised serious concern on the proposed way forward as in their view it would have major impacts on the EU aviation industry. Given that the present level of fees was for some already excessive, the new fee system would increase the problem of high fees and create an imbalance between EU and non-EU industry. EAB also noted a significant over-recovery resulting from the new system, indicating that there is an overbilling of certain



certification activities performed by EASA. The Fees & Charges regulation should thus be revisited again in order to avoid major impacts on industry. Finally, EAB reiterated that discussions so far had only taken place with manufacturing industry but that other important players such as the airlines/aircraft operators and MROs had not participated. The EAB representative therefore stressed again the need to formally consult the EAB on any proposed revision to the Fees & Charges Regulation.

One member noted that the method on calculating the fees was not sufficiently transparent, in particular as it is not fully evident from the presentation who is paying for what and to which category of users the fee tables are applicable. Members saw a need for further discussion and consultation with stakeholders, especially for small and medium size industry as their non-acceptance of the fee tables might lead to a failure of the new system. It was suggested that a comparison be produced between the fees paid under the present and new systems, broken down by kinds of operators. It was also felt that a transition phase was needed. The European Commission explained that Member States will be consulted via the Comitology process.

The Chair underlined that a major aspect of the Fees & Charges system is to ensure a reasonably stable income for EASA. At the same time, the new system should try to find fair balance between EU/non-EU industry and small/large industry. Noting that it is not for the Board to discuss the fee tables in detail and considering that the FABS Committee had also taken into account the then available views of the industry, already initially supported the flat fee option, the Board asked the Commission to come back with a presentation of the new Fees & Charges Regulation at MB 02/2010.

#### **10. Adoption of the 2011 Preliminary Draft Budget, Draft Work Programme and Establishment Plan**

The Agency's Finance and Business Services Director introduced the 2011 PDB, DWP and Establishment Plan. He underlined that the Agency had received 2 letters from the European Commission, one related to the PDB 2011 and one to the SPP 2011-2013.

As regards the Commission's comments on the SPP 2011-2013 he explained that they do not include any critical issues and that the Commission had in principle agreed on the SPP until 2012. Some modifications requested had already been included in the document presented to the MB (e.g. updates as regards staff figures, budget estimates, etc.) while the other comments will be answered separately. As regards the Commission's request to review the SPP assumption on the increase in EU contribution financed staff in 2013, he





explained that the 2012 and 2013 figures can still be reviewed at a later stage since the SPP is a multi-annual document.

Regarding the European Commission's letter on the Draft Budget 2011, he informed that most notably, the Commission had requested a reduction of the Draft Budget for 2011 by 2.4 M€, due to an overall reduction for all Commission services. He explained that this reduction for 2011 could directly affect the execution of the planned recruitment for 2010, mainly in Rulemaking, to avoid a situation where there is not enough budget for the payment of salary costs for the related full time equivalents (FTEs) in 2011. He concluded that at this stage an agreement on the application of the requested reduction is not yet feasible, since further analysis and impact assessment is needed. As a possible option for cost reduction he suggested a cutback in translation costs for Agency opinions (currently about 1.5 M€).

The Chair reiterated the importance of adopting the 2011 PDB at this meeting since the final document would need to be forwarded to the Budgetary Authority by 31 March latest and suggested that the discussion should focus on the implications of the Commission's letter.

The Chair of the FABS Committee noted that the reduction of the EU contributions, by about 8%, would have major consequences for the Agency's PDB and the DWP and that further analysis was needed before an agreement on the application of the requested reduction could be reached. The FABS Committee therefore advised the MB to adopt and submit the documents as presented by the Agency to the Budgetary Authority on 31 March, as on this short notice there is not enough information for a proper decision for amended budget. A detailed discussion on the implications of the budgetary reductions should then take place at MB 02/2010 in June, following an analysis by the Agency of the choices to be made and their implications.

The European Commission explained that the budgetary constraints affect the Union Budget including all EU Agencies. Notwithstanding the budgetary cut of approximately 2.4 M€ in 2011, one should note that EASA would still receive more money from the EU in 2011 compared to 2010. In order to safeguard the budgetary process, the Board should advise the Agency to adjust the 2011 PDB to the existing framework before being submitted to the Budgetary Authority by 31 March 2010. The figures communicated in the letter of 18 February should be used by EASA for the new calculations.

Regarding options for reducing the Agency's costs, Members suggested that the impact of a cutback in translation costs for Agency opinions would not be significant, as the regulatory Committees usually work on the English version of an Agency opinion, with the final legislation translated in other EU languages. However, the European Commission saw certain difficulties with



the proposed cutback in translation costs for Agency opinions, recalling that there are formal requirements in the Comitology process that entitle Committee Members to have opinions translated in all EU languages. As no official exception was made so far, it seems more realistic to adjust the timing for translations than having the translation requirement completely abandoned. The Commission undertook to seek clarification in this context and to come back to Agency with a definite answer. An alternative option to reduce costs could be to manoeuvre with the staffing figures which seem to offer some flexibility as the filled posts by 01/03/2010 of 478 still show a significant discrepancy to the 570 staff members foreseen by the staffing plan by end 2010.

Members agreed that the Board has a statutory duty to give careful consideration to the Agency's budget, reiterating the need for a stable financing of the Agency's activities and the availability of sufficient resources. Without proper reflection on the effects of such a budgetary reduction, it would be difficult for the Board to fulfil this duty. The Board would need to understand not only the consequences for the Agency (e.g. the impact on timing of competence extensions) but also to reflect on the consequences for the fulfilment of Member States' obligations. Moreover, Members saw a need to analyse carefully areas for possible savings, the potential for efficiency savings and the possible risks associated with various options. In light of this, the conclusions of the FABS Committee should be followed.

The Commission raised concern on the proposed way forward, as the MB would give green light to a document with figures which do not reflect the actual situation. This could raise serious questions during the budgetary process and directly affect the credibility of the Board decision. It would also endanger the protection of the Agency's Work Programme at a later stage if this is also not aligned with the actual figures. The Commission therefore strongly recommended to review the 2011 PDB and DWP 2010 in the light of the Commission letter.

Noting the Commissions comments, the Chair reiterated that a serious revision would not be possible before 31 March 2010. As the MB has the responsibility for the decisions, it should have sufficient time for proper reflection. At the same time, the Agency should be asked to prepare options for reducing the budget and adjusting the work programme accordingly, for consideration at its next meeting. The Commission should see the Board's position as support for their negotiations in the Budgetary Process.

Members underlined that they fully recognise the budgetary constraints communicated by the Commission, but that it needs more time for reflection before adopting new figures, in particular considering the risks. The Board agreed to follow the conclusions of the FABS Committee and to adopt the documents as they are and to carry out a proper analysis of the budgetary





reduction impacts before MB 02/2010 in June. An informal meeting between the Commission, FABS Committee and the Agency should take place prior to MB 02/2010 to go through the revised DWP.

Given the Boards intention to adopt the documents as presented, the European Commission strongly recommended to reflect in the formal Board decision that the Board took note of the budgetary constraints and has requested EASA to review the documents in the light of the present situation.

The Chair summarized the discussion as follows:

- a) Members fully recognised the budgetary constraints communicated by the Commission in their letter dated 18 February 2010;
- b) Members noted that the Agency did not have sufficient time to analyse the impacts of the budgetary reductions and to amend the 2011 PDB and DWP accordingly;
- c) Members agreed that the Board needs more time for reflection before adopting new figures, in particular considering the risks;
- d) The Board agreed to follow the conclusion from the FABS Committee to adopt and submit the documents as presented by the Agency to the Budgetary Authority on 31 March and to decide in June on the cuts to be implemented in case the budgetary reduction is confirmed; and
- e) Taking into account the discussion, in particular the comments made by the European Commission, the Board agreed to amend the Draft MB Decision adopting the 2011 PDB, DWP and Establishment Plan (WP09b) as follows: *"Notwithstanding this Decision, the Management Board recognizes budgetary constraints communicated by the European Commission in its letter of 18 February 2010. In the light of this letter the Board asked the Agency to prepare options for reducing the budget and adjusting the work programme accordingly, for consideration at its next meeting."*

As regards the 2011 DWP, the Chair noted that any changes to the PDB would also need to be reflected in the DWP. Notwithstanding that the Agency would have to update the DWP accordingly, the Chair invited Member to communicate any strategic comments directly to the Agency's Finance and Business Services Director by 26 March 2010 at the latest.

The Board formally adopted the Agency's 2011 Preliminary Draft Budget, Draft Work Programme and Establishment Plan.



## **11. Adoption of the Staff Policy Plan 2011-2013**

Recalling the official comments from the Commission on the SPP 2011-2013 (WP10d), the Chair said that apart from some issues regarding the phase beyond 2012, no major concern on the draft SPP presented at MB 04/2009 was raised. Consequently, there should be no difficulties for the Board to adopt the SPP 2011-2013 as presented. However, it should be taken into account that some adaptations might be required at a later stage, depending on the change to the 2011 PDB.

The European Commission reiterated its earlier statement that the Agency has certain flexibility in staffing as the present figures are far below the 2010 threshold foreseen in the Staffing Plan. This flexibility shows that there are certain reserves for the Agency regarding the budget. The Agency's Finance and Business Services Director explained that this is just flexibility in time and should not be used as basis for budgetary discussions.

The Board formally adopted the Staff Policy Plan 2011-2013.

## **12. Art. 51 Progress Report**

The Chairman of the Article 51 Study Group introduced the final report on the implementation of 19 recommendations of the Management Board on the evaluation carried out in accordance with Article 51 of Regulation (EC) 1592/2009(WP11). Taking into account that interim reports had been provided to the MB at MB 01/2009 and MB 03/2009, he said that the present report cover all information obtained from Member States, the Commission and the Agency and concludes the evaluation process.

He summarized the main conclusions as follows:

- a) Most of the recommendations can be considered as closed (appropriate actions have been taken) but some of them will continue to exercise their effect through the regular work of the Agency;
- b) Three among 19 recommendations (number 6, 17 and 14), dealing with the adequacy between objectives and resources, require further action to reach a proper equilibrium; the present budgetary constraints were not taken into account and further strategic discussion is needed;
- c) These 3 recommendations should be tabled for further action by the respective actor(s) and re-examined in the context of the 2nd evaluation to be carried out under Article 62 of Regulation (EC) 216/08 which will has to be commissioned by the MB as of 2011.

The Board commended the quality of the final report and generally agreed on the conclusions contained therein. Reflecting the budgetary constraints the



European Commission requested to delete under recommendation 7 ("No extension of the remit without allocating sufficient additional resources"), the sentence concerning the Agency's difficulties with the budget restriction as it was of no relevance to this table. The Commission also underlined that actions on recommendation 8 ("Review of the outsourcing policy of the Agency to qualified entities") are still ongoing. Members agreed on the proposed changes and the Chairman of the study group agreed to send a revised version of the document to the MB Secretariat.

The MB Chair concluded that the evaluation had been a useful exercise for the Agency and expressed his gratitude to the Chair of the study group as well as to P. Mulder (NL) and I. Seyrlehner (EASA) for their support.

### **13. Report on EASA Research Activities**

The Board agreed to postpone Agenda item 13 on EASA Research Activities to MB 02/2010 in June.

### **14. Review of MB Rules of Procedure**

The Chair recalled that the Board had agreed at MB 03/2009 to undertake a revision of the MB RoPs by a special working group in 2010 to meet in particular the recommendation from the Internal Audit Service (IAS) on the MB written procedure. In addition some other areas of concern had been identified as inappropriate or impracticable over the past years, e.g. the rules for nominating MB Members/Advisers/TAs, the distribution of MB documents and the consultation of EAB.

The Chair announced that he had asked a group of 4 lawyers, chaired by Lena Byström Möller (Sweden) and supported by Darius Gluszkiewicz (Poland), Frank Manuhutu (EASA Chief Legal Adviser) and Stephan Mick (EASA Policy Officer / MB Secretary) to carry out the review and to come up with a proposal for revised rules at MB 04/2010. He underlined that the review should be undertaken with the aim to facilitate procedures and to limit bureaucracy. The Board agreed on the proposed way forward.

### **15. Introduction to MB SharePoint site**

The MB Secretary introduced the new MB Share-point site and its main features. The site will provide a comprehensive communication tool for the Management Board, including applications such as documents sharing, archive, meeting calendar, automatic alert function, etc. The tool is planned to be operational before MB 02/2010 in June. Members, alternates and experts will receive an email by end April 2010, explaining in detail the registration and log-in process as well as the basic tools of the application.



## **16. AOB**

The Chair noted that the Board had adopted the Agency's Rulemaking Procedure some years ago and that a review thereof might be necessary e.g. to reflect the new competences in the fields of ATM and to update specific areas such as Certification. He reported that the Agency's Rulemaking Director had launched an internal review group MB Members are now invited to participate in the working group and should express their interest via email to the Rulemaking Director with copy to the MB Chair.

The Chair provided an outlook on possible topics for upcoming MB meetings, including:

- Certification Strategy;
- Standardisation (overview and results);
- Human Resources Strategy/Report;
- Communications Strategy (including crisis management, website);
- Training, and
- Research.

The Chair closed the session thanking all participants for a fruitful meeting.



## **ANNEX 1: List of Attendance**

### **Members**

	<b>MEMBER</b>	<b>ALTERNATE</b>	<b>EXPERT</b>
<b>AUSTRIA</b>			Walter Gessky
<b>BELGIUM</b>	Frank Durinckx	Benoit Van Noten	
<b>BULGARIA</b>	Tilko Petrov	Eleonora Dobрева	
<b>CYPRUS</b>			Nicolas Lyrakides
<b>CZECH REPUBLIC</b>		Vítězslav Hezký	
<b>DENMARK</b>	Kurt Lykstoft Larsen	Per Veinberg	
<b>ESTONIA</b>	Koit Kaskel		
<b>FINLAND</b>	Kim Salonen		
<b>FRANCE</b>	Maxim Coffin		Genevieve Eydaleine
<b>GERMANY</b>	Gerold Reichle	Josef Schiller	
<b>GREECE</b>			Georgios Sourvanos
<b>HUNGARY</b>			
<b>ICELAND*</b>	Petur Maack		
<b>IRELAND</b>			
<b>ITALY</b>	Salvatore Sciacchitano		Carmine Cifaldi
<b>LATVIA</b>			
<b>LIECHTENSTEIN*</b>			
<b>LITHUANIA</b>	Agne Katkute		
<b>LUXEMBOURG</b>	Claude Waltzing	Claude Wagener	
<b>MALTA</b>			
<b>NETHERLANDS</b>	Ellen Bien	Jan-Dirk Steenbergen	Pieter Mulder
<b>NORWAY*</b>	Heine Richardson	Oyvind Ek	Karl Koeford
<b>POLAND</b>		Tomasz Kadziolka	Anna Czerwinska

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\* Members without voting rights



	MEMBER	ALTERNATE	EXPERT
<b>PORTUGAL</b>		Anacleto Santos	
<b>ROMANIA</b>		Tudorei Roman	
<b>SLOVAK REPUBLIC</b>		Michal Hysek	
<b>SLOVENIA</b>	Mirko Komac		
<b>SPAIN</b>		José M. Ramírez Ciriza	
<b>SWEDEN</b>	Lena Byström Möller		Magnus Molitor
<b>SWITZERLAND*</b>	Marcel Zuckschwerdt		
<b>UNITED KINGDOM</b>	Michael Smethers (Chair)		Pat Ricketts
<b>EUROPEAN COMMISSION</b>	Zoltan Kazatsay	Eckard Seebohm	Nathalie Vande-Velde

#### Observers

	MEMBER	ALTERNATE	EXPERT
<b>EASA ADVISORY BOARD<sup>1</sup></b>	Vincent De Vroey	Claude Schmidt	Thomas Loeff Mick Sanders
<b>ALBANIA<sup>1</sup></b>		Genci Resuli	
<b>BOSNIA AND HERZOGOVINA<sup>1</sup></b>			
<b>CROATIA<sup>1</sup></b>			
<b>FORMER YUGOSLAV REPUBLIC OF MACEDONIA<sup>1</sup></b>			
<b>MONTENEGRO<sup>1</sup></b>			
<b>SERBIA<sup>1</sup></b>	Nebojsa Starcevic		
<b>U.N. MISSION IN KOSOVO<sup>1</sup></b>			

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<sup>1</sup> Observers without voting rights.



## **ANNEX 2: Action List**

<b>Action number</b>	<b>Description action</b>	<b>Action holder</b>	<b>Deadline</b>
# 03/MB 03/08	Amend & resubmit the proposed Procedure for the Selection of EASA Directors following submission to the Commission	EASA	Awaiting response from Commission
# 01/MB 01/10	Review of MB RoPs re voting procedures in the light of the recommendations from the IAS audit	EASA/MB	MB 04/2010
# 02/MB 01/10	Progress report on rulemaking in the context of the extension of Community competences	EASA/Commission	MB 02/2010
# 03/MB 01/10	Progress report on EASAC activities	EASA	MB 02/2010
# 05/MB 01/10	Status Report on Fees & Charges Regulation	EASA/Commission	MB 02/2010
# 06/MB 01/10	Prepare options for reducing the budget and adjusting the work programme accordingly, for consideration at its next meeting.	EASA	MB 02/2010
# 07/MB 01/10	Organise a meeting with EASA and EUROCONTROL to bring the present draft EASA-EUROCONTROL agreement in line with the latest developments or to consider alternative solutions.	Commission	MB 02/2010